

Lifetime Customer Value

Lifetime customer value is calculated using past customer data, but relates to your customer projections for the future. Before you start to make any real business plans, you need to know your Lifetime Customer Value (LCV).

I would strongly suggest that you spend time completing this worksheet with true figures and data for your company. It will take longer, but knowing your LCV will provide you with the details you will need to make informed choices about your website, marketing and other business decisions. I understand that if you are a new business more of the figures will be forecasts.

My LCV:

My company's **total sales** for the last 12 months:

The **number of customers** my business had in the last 12 months:

My **average customer spend** (total sales ÷ number of customers):

On average, I keep my customers for years

Lifetime customer revenue (average customer spend x number of years) =

My profit* margin (as a %):

*Use net profit if your business has high overheads and gross profit if you have low overheads

Lifetime Customer Value (Lifetime customer revenue x profit %):

